

Concordia University
Council of the John Molson School of Business
Minutes of the meeting held December 3, 2004

Present: J. Tomberlin (Dean and Chair)
S. Ahsan (Econ.), K. Argheyd (Mana.), C. Barry (CASA), C. Bayne (DIA/DSA) S. Betton (Fina.),
H. Bhabra (MBA), B. K. Buyukkurt (Mktg.), S. Brutus (Mana.), D. Cameron (Mana.),
A.-M. Croteau (DS&MIS), S. Danaie (Facilities), B. Desai (Comp.Sci.), C.Draimin (Acco.),
A. Fargnoli (Reg.), K. Fiddler (Staff), J. Freed (Fina.), M. Genova (Staff), K. F.Gheyara (Acco.),
A. Goussous (CGSA), T. Flouris (EMBA), B. Hatto (CASA), S.Hoffman (Lib.), N. Howe (SGS),
A. B. Ibrahim (Assoc. Dean), M. Islam (Acco.), G. Kanaan (Assoc. Dean), D. Kira (DS&MIS),
G. Lowenfeld (Acco.), M. Magnan (Assoc. Dean), S. Mustafa (Acco.), R. J. Oppenheimer
(Mana.), M. Paulin (Mktg.), M. Perugini (CASA), I. Rakita (Fina.), J. Riven (Mana.), L. Rosenthal
(CASA), C. A. Ross (Mktg.), B. Sarmiento II (CASA), M. Sharma (DS&MIS), M. Singer
(Provost & VP), J. St-Germain (CASA), L. Switzer (Fina)

Absent with
Regret: B. Campbell (Econ.), T. Chirimar (CASA), M. El-Chafehi (CGSA), M. Elmosaly (CASA),
E. Gatbonton (TESL), R. Knitter (Mana.), K. Laframboise (DS&MIS), F. Lowy (Pres.)

I Call to Order
The meeting was called to order at 09:35

II Closed Meeting

III Open Meeting

IV Approval of Agenda - JMSB-2004-09A
It was moved by M. Sharma and seconded A.-M. Croteau that Council approve the agenda, JMSB-2004-09A

The mover and the seconder agreed to amend the agenda to extend the time limit for item VIII i) to 45 minutes, to give time to Dr. Singer to address the Council upon his arrival, to discuss item IX i) immediately after the Chair's remarks.

The Chair said he had no objection to considering a half-day meeting in January for the discussion of the Strategic Plan.

The motion was carried unanimously.

V Approval of the Minutes - JMSB-2004-08M
It was moved by M. Sharma and seconded by M. Paulin that Council approve the minutes of the Council meeting held November 22, 2004.

The motion was carried unanimously.

VI Chair's Report and Question Period (15 minutes)
J. Tomberlin congratulated Ramona Senecal for her exceptional effort and great success in having raised \$2,250.80 through the Teddy Bear Adoption Day for student scholarships/awards. This amount will be combined with the summer 2005 Tour de l'Ile fund raiser to provide financial support to a student who does community work with the focus of bringing understanding between cultures. On behalf of the Faculty, he expressed his strong appreciation for Ms. Senecal's dedication to consciousness-raising in the JMSB. He advised that the graduation of the second Paris EMBA class was held at the Delegation Général de Québec on Thursday, November 24th and was attended by 75 -100 people, once again increasing the visibility of the JMSB in Paris.

The Dean announced that Honorary Doctorates had been awarded at the December 2nd Convocation to Dr. Marc Garneau, M. Daniel Langlois and Dr. B. Mallen. He commented on the disappointing participation rate of the full-time faculty from the JMSB, Fine Arts and Engineering and Computer Science and encouraged JMSB faculty to make an effort to attend the June convocation noting that the CUFA

Collective Agreement has a reference to the participation of faculty at June convocation. He further announced that the JMSB Awards of Distinction will take place on Monday, December 6 at the Canadian Centre for Architecture. For the first time all honorees are alumni of Concordia University: Marc DeSerres, B.Com 1975, President, Omer DeSerres Inc. and Chair of the Fine Arts Capital Campaign, Frank Di Tomaso, B.Com. 1968, Partner, Raymond Chabot Grant Thornton, Melanie Kau, EMBA 1988, President, Mobilia, Peter McAuslan, BA 1972, President, McAuslan Brewing. Lastly he announced the success of Graduate Diploma in Chartered Accountancy students in the 2004 Uniform Final Examinations of the Order of Chartered Accountants of Quebec. First time writers achieved a pass rate of 86.2% compared to the Quebec pass rate of 82.5% and three students placed on the National Honor Roll, Jonathan Graham, Katheryn Johnston and Bradley Wells. The rate for JMSB repeat writers was 73%. The Dean congratulated the students on their achievement as well as W. Roscoe and all the faculty and staff involved in the program.

The Dean agreed to take every opportunity to raise the issue of networking problems experienced by faculty and staff in the JMSB to persuade the University to make the appropriate adjustments to the system.

VII Elections

VIII Business Arising from Previous Meeting

i) Faculty Election Procedures – JMSB-2004-09A-01

It was moved by M. Sharma and seconded by K. Argheyd that Council approve the JMSB School of Business Faculty Election Procedures as described in document JMSB-2004-09A-01.

K. Argheyd reported that the document previously presented to Council has been edited to reflect the committees that are currently active and a revised description of proportional representation has been attached. He noted that the preparation of the document was guided by the need to adhere to the tenets of CUFA Collective Agreement and the desire to opt for inclusion rather than exclusion where possible. M. Sharma explained the election process. During the ensuing discussion there were a number of faculty members who agreed that a ballot should not be destroyed if the voter chose not to rank all nominees and the eligibility of faculty members on sabbatical leave was questioned. It was suggested that CIT in cooperation with the Department of DS&MIS develop another software program to tally the votes. The procedure could be presented to Council for approval as part of the JMSB Faculty Election Procedures. It was confirmed that faculty on sabbatical were eligible to vote. Since faculty members on sabbatical are responsible for leaving contact information with their department, election materials could be sent to their departments. It was noted that any elections covered by the CUFA Collective Agreement would exclude faculty on sabbatical leave as well as those on unpaid leave. To avoid future problems, it was suggested that eligibility be restricted to all full-time faculty not on leave.

It was moved by C. Draimin and seconded by C. A. Ross that the page 3 of the document under the heading Ballot Counting be amended to read "In order to insure complete fairness and impartiality, ballots in Faculty-wide elections will be counted using the Australian Preferential System with the provision that not all candidates need be ranked."

The mover rejected the amendment stating that the Australian Preferential Representation method required ranking.

The question was called by C. A. Ross and seconded by R. J. Oppenheimer

36 in favor, 1 opposed, 0 abstentions

A vote on the amendment by secret ballot was requested.

One member of Council expressed his dismay with what he viewed as a lack of trust among faculty members that impedes resolution on this ongoing issue.

The amendment was carried.

At the request of the Chair, Council members agreed to suspend consideration of the main motion until Dr. Singer has completed his discussion.

M. Singer began by stating that he was thrilled to be sitting with members of a Faculty that has been ranked among the top one hundred business schools in the world.

With regard to the University, he stated that Concordia has been dramatically transformed since the seventies and was now the fastest growing university in Quebec. Approximately 50% of faculty members have been hired within the last seven to eight years, graduate student enrolment has increased to about 12% of the student body and international students have increased to roughly 11%. At the same time, a large portion of tenured professors have taken retirement and approximately 35% of remaining faculty will reach retirement age within the next ten years. The challenge and opportunity for Concordia is to continue to hire two hundred new professors, a generation of professors who share our values, who are equally dedicated to teaching and research and committed to shaping the destiny of this institution – they are the future. He made it perfectly clear that, as Provost and Vice-President, Academic, he would not look favorably on contract renewal for professors who do not demonstrate a commitment to quality teaching and research productivity per the provisions of the CUFA Collective agreement. Decisions on where new faculty will be hired will be made within the next few months. Concordia's student enrolment will be somewhat larger with significantly more graduate students and international students. Admissions requirements will not lead to exclusivity and abandonment of our roots but will balance quality with accessibility. Decisions on where international students will be recruited and where graduate students will be placed will be made in the next few months as well – it will not be left to market forces. Concordia is committed to improving the quality of academic life as evidenced by the construction of new buildings, the Loyola Science building, the expansion of the Drummond Science building, the Engineering and Computer Science and Visual Arts building and the anticipated JMSB building. He remarked that well designed space may relieve many of the issues that dominate daily life but it is not a panacea for resolving serious issues. The quality of student life will be addressed by improvement to the academic advising system and the library resources. It is intended that an international experience be a cornerstone of study for Concordia students – students should have the opportunity or ultimately the requirement of studying abroad, an experience fundamental to global citizenship in the 21st century. This initiative will be accomplished by reaching out to alumni around the world, by revenues generated from international student recruitment, which is expected to be privatized, by the government's student mobility program and by establishing a network of sister universities around the world.

With regard to the John Molson School of Business, M. Singer stated that he was very worried about the JMSB. He outlined a number of perceptions held about the JMSB by members of the Concordia community including members of the Board of Governors. During the discussion he emphasized that the following perceptions were not his opinions.

First, it is perceived that it is unreasonable for a business school that teaches business to incur a \$1.75M loss. M. Singer stated that the loss may be blamed on internal allocation formulas or the loss of privatization fees. Nevertheless the deficit situation in the JMSB must stop and there are only a few months left to figure out how to balance this year's budget.

Second, it is perceived by concerned members of the Board of Governors that members of the JMSB faculty are divided on so many relatively less important issues at the expense of larger issues that the Faculty has lost sight of where it is going. As this issue is noted in the JMSB

Strategic Plan, this perception would come as no surprise. M. Singer commented that bringing divisive issues to the attention of the University community serves merely to diminish the reputation of the JMSB.

Third, there is a perception that the JMSB has abandoned the mission of accessibility and replaced it with a mission of exclusivity and that the school was prepared to become the Harvard or Wharton of the North. M. Singer remarked that the JMSB is entitled to have aspirations but questioned why one of the cornerstones of the Concordia mission would be set aside. He pointed out that an Honorary Doctorate had been conferred this week on a very successful alumnus who would not likely be accepted to the JMSB today. He suggested that a decision of this nature should be based on collegial discussion and consensus building in the University community.

Fourth, there is a perception that JMSB professors are well compensated compared to other professors in the Concordia community and are the least collegially committed to the University. JMSB professors are perceived to resist sitting on committees, becoming involved in University activities, some are paid twice as much as anyone else to teach part-time courses in certain programs, some are paid enormous stipends that are completely out of proportion to reality elsewhere in the University.

M. Singer stated that the JMSB has an incredible opportunity to move forward due to a renowned Canadian family willing to pour money into the school, the University and provincial government on the verge of making a financial commitment to build a magnificent structure and the likelihood that the privatization funds will be reinstated by the government that can, at least superficially, balance the books. He stated that the JMSB was at a crossroads and that the faculty owed it to the next generation of the JMSB to put these images and divisiveness behind. He added that this fraught environment would not appeal to him if he were a new faculty member in the JMSB.

Fifth, there is a perception that JMSB senior professors are so mired in past conflict that they are incapable of moving forward with the business of the school.

M. Singer stated that while the perceptions may not be true he suspected they may reflect some element of reality. The University regards the JMSB as a jewel, albeit an unpolished one at the moment. Consequently the Dean is being pressured to address these concerns and that is one of the purposes of the Strategic Plan. He further stated that a plan was not enough without good will, collegiality and some agreement on common principles. He advised that resource allocation was being discussed. The Provost and the Deans determine how many people to hire, how many buildings to construct, what the internal budget allocation formula will be, and how many international student fee remissions to award. Resources are allotted in response to a convincing vision – the JMSB must live within the allocated budget and not expect to support a higher life style than the rest of the University for less return. He stated that the chance that there will be a reallocation of the internal budget formula is nil. He stated that the JMSB must establish priorities within their budget and cautioned that the privatization revenues may simply mask underlying problems. He asked how he should reply to a member of the Board of Governors Budget Committee who asks why we want to borrow more money to construct a building for a business school that is losing money?

M. Singer stated that he wanted to build the JMSB, to hire more professors who will stay, not just for the money or the new building, but because of the environment and meaningful work with colleagues that one can respect, agree or disagree with and still move ahead with the mission of the school. He challenged the JMSB faculty to work together to address these perceptions and take advantage of the exciting opportunities in the University.

During the ensuing discussion the following comments were noted:

- The notion that the JMSB is a cash cow for the University is a myth
- There is a need for JMSB faculty to work together for a common goal and to improve marketing strategies both internally and externally
- There is a need for senior faculty members to listen to the views of junior faculty members as they are the future of the JMSB.
- In adopting the market model, the school has lost connection with the rest of the University resulting in an environment where everything must be paid for twice and we are bleeding to death.
- There has not been a discussion at Council regarding the ongoing increase in the CRC score for admission to the JMSB however faculty members have noticed that our current students demonstrate a potential to make social and business changes in the future.
- In spite of problems identified, the JMSB is a much better school than it was fifteen years ago. There exists a creative tension that can lead to positive results by continuing discussions.

In response to this comment, M. Singer stated that collegial discussion must have a focus, a time frame and a conclusion by consensus and once the group decision is made all members accept the decision whether or not they personally disagree. He advised that the faculty complement is being redesigned, decisions are being made about space for the University, the future of the University is being designed. This process is expected to be finalized by the spring. From a resource allocation point-of-view, time for discussion is running out. Perhaps the JMSB does not need more faculty, but there is an opportunity here and time is running out.

With regard to the issues of exclusivity and accessibility, J. Tomberlin explained that the JMSB limited enrolment because the government formula does not reflect the true cost of education in a business school. Accessibility is naturally affected when enrolment is limited. The internal budget allocation of the University mirrors the formula closely. We have the highest paid academic salaries in Quebec with the exception of medical and law schools. With the revenues of \$2M - \$2.5M from privatization, operation of the JMSB was feasible. In May 2001, these revenues were eliminated and the JMSB lost \$2.5M creating a challenge to turn the deficit around within one year. Although the demand for business school education was high it was decided that it was not in the best interest of the University to expand enrolment that would increase costs because the demand for business education is highly cyclical.

- The Quebec mobility program is well known among our student body.
- JMSB students have the opportunity to do work terms abroad as well as study terms. Alcan hired twenty-five JMSB students exclusively to work across the world. A number of our students now work there full-time.
- To promote study abroad, introduce students to the JMSB's International Business Program supported with language courses.
- The notion of the senior administration making decisions based on impressions and perceptions of the JMSB is scary leading back to the ongoing ten-year debate on whether or not a business school belongs in a university. Would it be preferable to hire faculty at a lower rate at the cost of quality?
- The cause of the deficit is the inequitable funding formula as page nine of the document acknowledges, how can it be said that we live beyond our means? Senior faculty members with years of experience earn less than newly hired faculty but continue to dedicate themselves to the JMSB. The "lifestyle of the rich and famous" is a misperception. Why are our outstanding performances not perceived such as the highest UFE pass rate in Quebec? As our CEO we place our faith in you Dr. Singer to go back and clarify these misperceptions and make appropriate funding adjustments. Tell them that we are doing a good job despite the fact that we are under-funded.
- The Marketing Department strongly supports M. Singer's commitment to research noted on page five of the document. With regard to the perception that JMSB faculty "lives the lifestyle of the

rich and famous", the Marketing Department has just received a resignation mainly due to salary concerns. Over the last two years, thirty-four candidates have been interviewed, twelve were selected for campus visits and nine offers were made, one was accepted. Most went to the U.S. for higher salaries. Two more resignations are expected within the next two years from faculty members attracted to the U.S. market. These are the market facts that must be faced if the JMSB is to have a future.

- The Dean should set limits on programs that lose money.
- Standards should be established for CDI and Merit.
- The Operation Management curriculum requires revision.
- Despite the negative perceptions, the JMSB has had many achievements that have been recognized in the media
- In a court of law, hearsay is inadmissible.
- Evaluating programs that lose money is a complex process.

M. Singer responded to some of the comments. He stated that the senior administration did not make decisions based on perceptions, JMSB losing money is a fact. The privatization revenues may cover the problems and maintain a lifestyle but the JMSB will have missed an opportunity to make strategic choices. The senior administration has agreed to the market salaries for the JMSB but they come at a price and an expectation that new faculty will come here with a sense of responsibility to commit and contribute to Concordia. The funding allocation is a reality and may get worse. He stated that the notion that the business school could exist outside of the University was unrealistic because the lack of financial backing. There is also the reality of the opportunities that come with privatization and distance education, opportunities for partnerships around the world, mentorship agreements for students, and revenue generating programs. As to faculty retention, he stated that he was willing to entertain any reasonable proposal to retain faculty. Selective individual supplements can be used only if the JMSB can afford it and that would be by choosing not to do something else. He referred to the loss from revenue generating programs and questioned the value of keeping a revenue generating program that loses money.

In response to a suggestion that a series of meetings be scheduled in January to address the perceptions outlined by M. Singer, the Dean advised that these issues would be addressed through the implementation of the Strategic Plan.

Noting that the issue of divisiveness had been confirmed in the Strategic Plan, M. Singer stated that it was his responsibility as Chief Academic Officer to determine if the impressions of the JMSB are true, partly true or false. He stated that it was also his responsibility to encourage the JMSB to put these issues behind and become a better business school than ever thought possible. With some of the best business minds in the country working on strategic planning, he stated that he expected to have a convincing strategic plan that he could briefly summarize and advocate to the University and business community. The plan would include a strategy for hiring young faculty to address the impending retirement of a significant proportion of JMSB faculty. He suggested a package with the right salary, incentive system, a new building, a collegial environment and an element of excitement that would attract young faculty who are so excited about the potential of the JMSB that they come here and stay here even if it is not necessarily the best financial they can get.

In closing, M. Singer apologized if his blunt commentary offended anyone and thanked everyone for their comments.

Items VIII ii, iii, iv, v, vi, IX I, XII, XV v will be brought forward to the next meeting of Council.

- ii) Concordia: Canada's University for the 21st Century (SCAPP 2004-3-D1) JMSB-2004-07A-06
- iii) Revised motion regarding Governance of Faculty Centres – JMSB-2004-09A-02 (15 minutes)
- iv) Ten-year Summary of JMSB Business Units – JMSB-2004-09A-03 (10 minutes)
- v) EMBA Follow-up Report to Council – JMSB-2004-09A-04 (5 minutes)
- vi) Motion regarding recent election for Faculty Council - JMSB-2004-09A-05 (15 minutes)

IX Report: Graduate Programs, Research and Program Evaluation – JMSB-2004-09A-06
The report for the Office of Graduate Programs, Research and Program Evaluation was received. M. Magnan reported that C. Draimin has become involved with the Research portfolio by assisting in the collection of benchmark data on Faculty research funding policies in other universities.

- i) *Goodman Institute of Investment Management Curriculum Change – JMSB-2004-09A-07*
It was moved by B. Ibrahim and seconded by M. Sharma that Council approve the proposed curriculum change for the Master of Business Administration (Investment Management Option) as described in document – JMSB-2004-09A-07.

B. Ibrahim explained that the purpose of the change was to clarify the elective requirements. He remarked that the revision had already been approved by the Faculty Academic Program Committee, the Graduate Studies Committee and Academic Programs Committee.

In reply to a concern that students may take inappropriate electives, the Dean advised that to conform to AACSB standards for MBA programs, the Director would ensure that students take the electives from MBA core courses.

It was moved by R. J. Oppenheimer and seconded by C.A. Ross that the wording of the text be amended to read "with the approval of the GIIM Program Director" rather than "in consultation with the GIIM Program Director".

A discussion ensued regarding the consequences of amending the text, the major consequence being that the revision would not appear in the 2005-2006 Graduate Calendar. It was generally agreed that the text be amended and returned to the various University bodies for approval.

The mover and the seconder accepted the amendment as a friendly amendment.

It was agreed that the brackets be removed around 3-credit.

The motion was unanimously carried as amended

The reports from the following units/committees will be brought forward to the next meeting of Council.

- X Report: Administrative Affairs and Human Resources
- XI Standing Report on the status of the new JMSB building
- XI I CASA Report – JMSB-2004-09A-08
- XIII Report: External Affairs and Executive Programs
- XIV Report: Undergraduate Programs, Academic and Student Affairs
- XV Reports from School Representatives on University Committees
 - i) University Senate
 - ii) Arts and Science Faculty Council
 - iii) Senate Academic Planning and Priorities

- iv) Senate Academic Programs Committee
- v) Senate Research Committee - JMSB-2004-09A-09
- vi) University Library Committee
- vii) Undergraduate Scholarships and Awards Sub-committee
- viii) Board of Governors – JMSB-2004-09A-10
- ix) Council of the School of Graduate Studies

XVI CGSA Report

XVII New Business

- i) Aviation MBA Program annual report – JMSB-2004-09A-11 (15 minutes)
- ii) Entrepreneurship Institute for the Development of Minority Communities (EIDMC) annual report – JMSB-2004-09A-12 (15 minutes)
- iii) JMSB Strategic Plan – JMSB-2004-09A-13 (15 minutes)

XVIII Other Business

XIX Adjournment

It was moved by B. Ibrahim and seconded by C. A. Ross that the meeting be adjourned.

The motion was carried unanimously

Time of adjournment: 12:35 p.m.

XX Next meeting

The next regular meeting of Council will take place on Friday, January 21, 2005, in room GM302 at 09:30.